



**PROCEEDINGS OF THE BELOIT CITY COUNCIL**  
**100 State Street, Beloit WI 53511**  
**City Hall Forum – 7:00 p.m.**  
**Monday, October 3, 2016**

Presiding: David F. Luebke  
Present: Sheila De Forest, Regina Dunkin, Regina Hendrix, Kevin Leavy, Mark Preuschl, Marilyn Sloniker

Absent:

1. President Luebke called the meeting to order at 7:00 p.m. in the Forum at Beloit City Hall.
2. PLEDGE OF ALLEGIANCE
3. SPECIAL ORDERS OF THE DAY/ANNOUNCEMENTS
  - a. Councilor Hendrix presented a proclamation celebrating the 175<sup>th</sup> Anniversary of First Baptist Church to Suzanne Strickler, the committee chair for the anniversary celebration and member Bob Ames. The celebration will take place October 15-16 and all are invited.
  - b. Councilor Hendrix presented a proclamation declaring October 9-15, 2016, as National Fire Prevention Week to Fire Chief Bradley Liggett. Chief Liggett thanked the council for the proclamation and explained that the department annually strives to promote education and prevention at all age levels. He also invited the public to support a fundraiser Thursday, October 13<sup>th</sup> at Pizza Hut where tips will be donated to the Survive Alive house.
4. PUBLIC HEARINGS
5. CITIZEN PARTICIPATION
  - a. Steve Johnson, father of Jessica Austin, addressed the council regarding a hold to a business permit for the property located at 2255 Prairie Avenue. He explained that his daughter purchased the property and applied for a business permit and was surprised to receive a letter stating the permit was being held because there is an outstanding balance of \$137.00. His complaint was that the \$137 fee was charged to the property in June and the building was purchased in August. They paid the fee at the Treasurer's office today and are now seeking a credit. Attorney Krueger took their contact information to follow up after the matter has been investigated.
6. CONSENT AGENDA

Councilor De Forest asked to have item 6.d removed from consent. Councilors Leavy and Dunkin made a motion to adopt consent Agenda 6.a – 6.c and 6.e. Motion carried.

- a. The Minutes of the Regular meeting of September 19, 2016 were approved.
- b. A resolution approving Purchase and Sales Agreement for a small piece of property near the Ironworks Parking Lot from the City of Beloit to Hendricks Commercial Properties was approved. File 8074
- c. A resolution supporting a request for placement of the Ken Hendricks Memorial Statue in Riverside Park was referred to Plan Commission. File 8485
- d. Clerk Stottler presented a new application for Class "B" Beer and "Class B" Liquor License of J & P Sports House Pub, 443 East Grand Avenue, Joseph A Jensen Agent for referral to the Alcohol Beverage License Control Committee. Councilor De Forest said she has some concerns about this application but since it's a referral, perhaps the clerk could make sure the owner/agent is present when it comes back before the council. Attorney Krueger asked Councilor De Forest to share those concerns so they can be addressed with the ABLCC. Councilors De Forest and Dunkin made a motion to refer the item to committee. Motion carried. File 8721

- e. A new application for Class "B" Beer License of The Beloit Club, LLC, d/b/a Ironworks Golf Lab, 625 3<sup>rd</sup> Street, Suite 100, Jayme Braatz Agent was referred to the Alcohol Beverage License Control Committee. File 8721

7. ORDINANCES - none

8. APPOINTMENTS - none

9. COUNCILOR ACTIVITIES AND UPCOMING EVENTS

- Councilor De Forest attended the Downtown Beloit meeting and Visit Beloit meeting last week. She attended the event at the Beloit Public Library featuring Luis Alberto Urrea. She attended the Town of Beloit information meeting regarding incorporation. Lulac is having an informational forum on voting on Saturday, October 15.
- Councilor Sloniker attended the informational meeting at the Town of Beloit.
- Councilor Dunkin congratulated the Klobucar family on 50 years in business and 65 years of marriage. She offered condolences to the family of George Spelius, former Midwest league president and one of the founders of the Beloit Snappers.
- Councilor Preuschl applauded a successful Oktoberfest event September 23<sup>rd</sup>.
- Councilor Leavy had no report.
- Councilor Hendrix announced that the Freedom March on Saturday was successful. A small scale summer gospel jam was held last Saturday near the Farmer's Market and thanked everyone for their support.
- President Luebke was pleased with the crowd and weather at Oktoberfest.

10. CITY MANAGER'S PRESENTATION

- a. Finance and Administrative Services Director, Eric Miller and City Manager, Lori Luther, presented the proposed 2017 Operating, Library, and Capital Improvement Budgets. The City's proposed budget for all funds, including capital improvements budget is \$96 million. This is a decrease of \$427,000 from last year. The General Fund budget totals \$30.9 million, which is an increase of \$352,000 from last year. The Enterprise Fund budgets increased by a combined total of \$306,000 to \$18.5 million. Mr. Miller presented budget highlights that includes a few staffing changes in various departments. He explained that Shared Revenue and Expenditure Restraint remained flat while highway aids are projected to decrease by \$120,000. Some good news for the City is that the Net New Construction increased to 2.31% from 1.13%, representing the second highest percentage in Rock County and increases the levy by \$230,000. Other highlights include: Assessed and Equalized Values have increased 2.19% and 2.29% respectively. The property tax levy increased by \$317,000 or 2.19%, \$81,000 is attributed to increased debt service. The City will retain 15% of Hotel/Motel Tax receipts, up from 10%. The Wastewater utility is proposing a modest cost of living increase of 3% for both commercial and residential customers. The Water Utility has conducted a comprehensive rate study and filed an application with the PSC to raise water rates by 15% for 2017 in order to maintain vital infrastructure used to provide clean and safe water to users. The Blender Café will be constructed this winter and open for business early 2017. The Council will have an opportunity to discuss the budget in detail at the upcoming October 10 workshop. A public hearing will be held on October 17<sup>th</sup> and the budget will be on the November 7<sup>th</sup> agenda for approval. The full budget is available for review at [www.beloitwi.gov](http://www.beloitwi.gov). File 8731
- b. Councilors De Forest and Preuschl made a motion to schedule a Council Budget Workshop for 10:00 a.m. on Monday, October 10, 2016, in the Community Room at the Beloit Public Library. Motion carried.

11. REPORTS FROM BOARDS AND CITY OFFICERS

- a. This item was moved up the agenda after Citizen Participation. Economic Development Director, Andrew Janke, presented a resolution approving a Development Agreement between the City of Beloit and TMD Wisconsin LLC. Mr. Janke explained that TMD (Toledo Molding & Die) is a manufacturer of interior/cockpit and hard trim components for the automotive industry and are locating in Beloit to produce and supply components for the new Jeep Cherokee platform that will be assembled in Belvidere, IL.

In April 2016, City Council authorized the sale of 2401 Stateline Road, Beloit, WI to Hendricks Commercial Properties (HCP). The City sold this 30 acre parcel to HCP for \$1.00 as an incentive to begin construction on a 100,000 square foot speculative (spec) industrial/warehouse building. Shortly after closing on the property HCP began construction on the building and began a marketing campaign to attract a tenant(s).

During this time frame, Toledo Molding & Die (TMD) was conducting a regional site selection search to locate a new manufacturing facility. TMD is a manufacturer of interior/ cockpit and hard trim components for the automotive industry. The company has an agreement to supply interior components for the new Jeep Cherokee platform that will be manufactured at the Belvidere Assembly Plant in Belvidere Illinois. As a "just-in-time" supplier, TMD was interested in securing a facility close to Belvidere and contemplated sites in northern Illinois and southern Wisconsin. After considering several sites, TMD has chosen to lease the entire 100,000 square foot spec building currently under construction at 2401 Stateline Road, Beloit, WI.


To incentivize TMD to select a site in Beloit, Wisconsin, both the Wisconsin Economic Development Corporation (WEDC) and the City of Beloit have offered incentive packages to the company. WEDC will be providing a refundable (grant) tax credit allocation in the amount up to \$750,000. The City of Beloit, by the proposed Development Agreement, is proposing to provide a TID-funded Equipment Moving Grant in the amount of \$100,000. The Grant will provide assistance for TMD to move its equipment and operations to the City of Beloit.

As TMD will be occupying the entire 100,000 square foot building that HCP has under construction at the project site as part of Phase I of the development, HCP will begin construction on Phase II of the project in the spring of 2017. Phase II will involve construction of a mirror-image 100,000 square foot building to the east of the building that will be occupied by TMD. The company is projecting a \$14 million investment that includes the creation of 95 full time jobs averaging \$16/hr.

Mr. Janke shared highlights of the Development Agreement and shared projections for the next phase of building construction on that property. The Agreement requires TMD to enter into an agreement with HCP to lease 2401 Stateline Road thru mid-2024. TMD will invest approximately \$7,000,000 in private capital investment at the project site. TMD is expected to begin partial operations at the project site by February 29, 2017 and be fully operational by May 31, 2017. The City will provide TMD with a \$100,000 Equipment Moving Grant for costs TMD may incur to move manufacturing equipment to the project site. The Grant is conditioned upon TMD creating 95 full-time positions by December 31, 2018 at an average hourly wage of \$16.00 an hour. Should TMD fail to create the positions, the Agreement provides for a clawback provision whereby TMD will be required to pay back a prorated portion of the Equipment Moving Grant.

He introduced Steve Ciucci, President and CEO of Toledo Molding & Die, Inc. who presented a company overview, products and the project metrics on location and production. Mr. Ciucci thanked the many partners in Wisconsin for their assistance and partnership in completing this project. Councilors De Forest and Leavy made a motion to adopt a resolution approving a Development Agreement between the City of Beloit and TMD Wisconsin, LLC. Motion Carried. File 8732.

12. Councilors Preuschl and Sloniker made a motion to adjourn at 8:34 p.m. Motion Carried.

  
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Lorena Rae Stottler, City Clerk

[www.beloitwi.gov](http://www.beloitwi.gov)

Date approved by City Council: October 17, 2016